Impact of Political and Social Globalizations on Economic Growth in West Africa (1990-2022)

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Abstract

This study examined the impact of political and social globalization on economic growth in West Africa between 1990 and 2022. The World Development Indicators (WDI), World Governance Indicators (WGI), and an updated version of the KOF Globalization Index Data Bases were used to collect data. The data collected was analysed through the use of panel data analysis. The panel data involves the use of static and dynamic methods, which are made up of the pooled OLS, fixed effects, and random effects. Based on findings, it is concluded that political globalization positively influences economic growth. In the short run, social globalization also had a positive impact on economic growth, while in the long run, social globalization had a negative impact. In line with the outcome, it is recommended that West African countries formulate policies based on realistic, appropriate globalization and economic integration principles that are peculiar to each country. Relevant complementary policy frameworks that will enable the development of other sectors of the economy should also be formulated.

Keywords: Political Globalization, Social Globalization, Real Gross Domestic product, Financial Integration, West Africa.

1. Introduction

The contributions of globalization to economic growth of countries have over the years attracted the attention of academia, economists, policy makers and governments worldwide. This is not unexpected consequent upon the preponderance of poverty, starvation, hunger and malnutrition which have been ravaging developing countries. Globalization and economic growth-nexus has been one of the most contentious and important theoretical issues of economic development that is complex, hotly debated and contested (Adams, 2010; Kanchan, 2016; Midiyanti and Yao, 2019; Radulovic and Kostic,2020). Globalization as an economic concept is not only a deeply controversial term (Hauge and Magnusson, 2011; Kanchan, 2016; Ahmad, 2018), but its relationship with economic growth has been more controversial and ambiguous, as well as attracting unending debates without any consensus. This thus gives birth to globalization rampants and globalization skeptics (Anyanwu, 2006), anti-globalists and globalists (Konyeasso, 2016) when discussing about its relationship with economic growth.

The relationship between globalization and economic growth has taken centre stage in both the current economic development and growth literatures in West Africa. Theoretical and empirical literatures on globalization and growth nexus are not current phenomenon (Titalessy, 2018).Pioneer theories on globalization have initially narrowed down globalization to trade openness, foreign direct investment (FDI) and capital inflows. However, current researches have evolved which broadened the scope of globalization to encompass overall, economic, political and social dimensions of globalization (Dreher, 2006; Dreher, Gaston, Martens and Boxem, 2008; Bataka, 2021), cultural, informational. According to Dreher et al (2008), economic globalization included actual flows and restrictions. The actual flows was defined to include trade openness, foreign direct investment and capital inflows while restrictions included the hidden import barriers, mean tariff rate and others.

Political globalization encapsulated the number of ambassadors in a country, the number of International organizations to which a country belong and the International NGO's while Social globalization included international tourisms, population of foreigners in a country,the internet users in a country and others. Most of the initial researches on globalization dealt mainly with the relationship between economic globalization and economic growth neglecting the impact of political and social globalizations. As a matter of fact, pioneer researches x-rayed the relationship between globalization and economic growth applying trade openness, foreign direct investment and capital inflows as proxies for globalization. Few attempts have been made to examine the relationship between political and social globalizations and their economic growth- nexus in West Africa. Even with these few attempts, divergent theoretical and empirical views and results trailed the impact of political and social globalizations on economic growth, not only in West Africa, but throughout the world. The extent to social and political globalizations influence economic growth worthy of an examination in West Africa. The current study, therefore, attempts to fill this gap by examining the relationship between political and social globalizations and their influence on economic growth in West Africa between 1990 and 2022.

Research Hypotheses

$H0^1$: Political globalization has no significant impact on economic growth in West Africa.
$H0_2$: Social globalization have no significant influence on economic growth in West Africa.

2. Literature Review

2.1.   Concept of Globalisation

Defining globalization has been a contentious and controversial issue. Samimi et al (2012); Radulovic and Kostic (2020) observed that there has never been a universally acceptable definition of globalization due to the absence of clear-cut theory. This view was also shared by Kanchan (2016) who stated that opinion is divided on what constitute globalization and whether globalization is good or bad. Lending credence to the controversial nature of globalization, Titalessy (2018) opined that globalization is a deeply controversial term having advantages and disadvantages. WTO (2008), Kilic (2015) and Sardiyo (2019) also bared their opinions on the controversial nature of the definitions and impacts of globalization on economic growth. Globalization, according to Choi (2018) is a worldwide expansion of markets and technology. Gygli et al (2018) also refers to globalization as a process that transcends national borders, combines national economies, cultures, technologies and governance, and produces the complex relationships of interdependence. It is a process where the world economy becomes more interconnected leading to a global economy, global economic policy- making, homogeneous culture and consumption of goods and services.

2.1.1 Globalization Dimensions

There are two main views on globalization. We have the globalizers and the non-globalizers. The globalizers are the optimists who viewed globalization as a good omen. The globalizers attached so much importance to trade, FDI and capital liberalization and opined that the impact of trade, FDI and capital liberalization on economic growth cannot be overemphasized. Apart from technology and capital, according to Kumar and Pradhan (2002), FDI flows as a bundle of resources in terms of organizational and managerial skills, marketing know-how and market access through the marketing network of multinational enterprises. Thus, according to Umaru et al (2013), FDI's effect on economic growth is based on its contributions to capital accumulation and total factor productivity. Globalization has different forms or dimensions. These include, according to Uwatt (2004), globalization of democracy; global ideological shift; global technological revolution particularly through information and communication technologies; globalization of culture and environment, and globalization of the economy. The other forms include economic, political, social, cultural and informational globalizations (Dreher et al, 2008; Gygli et al, 2018; Radulovic and Kostic, 2020).

2.1.2 Measurement of Globalization

Samimi, Lim and Aziz-Buang (2012) listed and explained the different measures of globalization. Which include the following

- **AIT Kearny / Foreign Policy Globalization** (KFP). This index measures economic integration, technological connectivity, personal contact and political engagement.

- **KOF Index of Globalization:** This index divides Globalization into three major dimensions which include economic, social and political dimensions of globalization.

- **Center for the Study of Globalization and Regionalisation (CSGR) Globalization Index:** This index measures the economic, social and political dimensions of globalization. It is claimed to be complementary to KFP as it used optimal statistical weighting known as the Principal component and controlling for fixed country geographical characteristics.

- **The Maastricht Globalization Index (MGI):** This index uses seven groups of variables. These variables include global politics, organized violence, global trade and finance, social and cultural, technology and environment to cover all dimensions of globalization.

- **New Globalization Index [NGI]:** This Globalization index was developed by Vujakovic in 2009 with some new variables to measure globalization. These new variables include trade mark application by non-residents, portfolio investment stock, patent application by non-residents and environmental agreements. It is based on this index that Globalization is defined as a process that increases interaction and interdependence between economies, societies and nations beyond large distance.

- **Globalization Index (G index):** Globalization index was introduced in 2001 by Randolph. It was introduced to measure the depth, breadth and richness of the interdependence between the national and the global economy. The major weight of variables belongs to economic dimension of globalization. However, despite the importance attached to these indexes, Samimi, Lim and Aziz- Buang (2012) concluded that KOF is the best index for measuring Globalization because of its advantages. Its superiority over others is because of the measurement of the level of trade and all types of foreign capital including their restrictions. It also has the advantage of including social and political dimensions.

2.1.3 Benefits of Globalization

The general economic theory postulated that financial globalization gives birth to efficient allocation of resources, provides possibilities for risk diversification, strengthen macroeconomic policies which eventually exerts positive influence on economic development. This same line of thought was shared by the neo-classical theory who opined that global economic integration of countries accelerates economic performance. These economic postulations were corroborated by many researchers emphasizing the benefits of globalization. Globalization, according to Obadan (2004) has made many developing countries develop their comparative advantages and gain access to newer, more appropriate technology. More so, financial liberalization enables access to international capital which promotes economic growth. Free capital movements permit a more efficient global allocation of savings and direct resources towards its most productive uses. This

is because it allows capital to seek out the highest rate of return thereby making investors to access funds beyond their countries (Adam, 2004). Also, capital mobility creates opportunities for portfolio diversifications, risk sharing and inter-temporal trade. Adam (2004) opined that free capital flow allows the global economy to reap the efficiency gains created by specialization in the production of financial services. Adam (2004) stressed that capital mobility promotes the dynamic efficiency of the financial sector arising from increased international competition. More so, it limits the ability of governments to pursue bad policies.Globalization helps in reducing the cost of capital through the removal of information asymmetry and monopoly power of local providers who charges exorbitant price on funds.

2.1.4 Challenges to Globalization in West Africa

Despite the avalanche of benefits that accrues from globalization, there are some challenges and obstacles that confront globalization drives in West Africa. One of these challenges is the difficulties embedded in monetary policy management consequent upon global capital flows. Restrictive monetary policies to curb inflation in developing countries may lead to higher interest rates thereby raising investment costs. This affects entrepreneurial bid to investment or divert investment to commercial activities. There is high prevalence of poverty among West African countries and this has generated economic, social and political problems. In West Africa, there is the problem of over-reliance on primary commodities as a source of earning by majority of its inhabitants due majorly to their agrarian nature. More so, prices of primary commodities are volatile and are subject to boom and bursts. This dependence on primary commodities coupled with limited export varieties and diversifications prevent West African countries benefitting from globalization. There is also the problem of low level of industrialization in West African. Manufactured exports have been competitive internationally mainly due to policy environment and institutional factors which have been unfavourable. The other inhibiting factors to globalization in West Africa may include high tax rates and regulations; infrastructural inadequacies, corruption, political and policy instabilities, overlapping policies, lack of good governance and little domestic value added to commodities produced. Some West African countries are mono-cultural in nature relying only on oil as their source of revenue. However, fluctuations in the World oil prices have led to instability in their foreign exchange earnings. The declined source of revenue posed some other developmental challenges which culminated to external borrowings implying more indebtedness which is another problem. The attendant debt servicing affects other developmental programmes and targets of these countries

2.2 Economic Growth

Todaro and Smith (2003) conceptualized economic growth as a sustained increase in real income/output or in per capital real income/output. Also, according to Iyoha (2002), economic growth is defined as a long-term rise in the capacity to supply increasingly diverse economic goods to its populations, this growing capacity based on advancing technology and the institutional and ideological adjustments that it demands. This definition implies that economic growth is synonymous with a sustained rise in national output, provision of wide range of economic goods and presence of improved technology and institutions. Economic growth is often measured as a percentage change in gross per capital national production (GNP). Several factors have been identified as the causes of economic growth. These include advancement in technology, international trade or degree of openness of the economy or trade liberalization, human capital and education, foreign capital inflows and investment, sound macroeconomic (fiscal, monetary, exchange rate and incomes) policies and institution, good government, physical capital formation or accumulation. Iyoha (2002) also opined that economic growth give an insight to openness and integration to global economy to include acquisition of new technologies and ideas, better resource allocation, greater competition, more rapid innovation, increased transfer of technology and free access to savings.

2.3 Empirical Review

Mixed and inconclusive results characterized the investigation of the impact of political and social globalizations on economic growth .For instance, Hassan (2019) applied the Pooled Mean Group to investigate the nexus between globalization and economic growth in Asian countries between 1971 and 2014. The result revealed that overall, economic and political globalizations impacted positively on economic growth in the long run, but without significant effect in the short run.Olimpia and Stella (2017) investigated the relationship between globalization and economic growth in Romania. Regression and granger causality were used for data analysis between 1990 and 2013. The outcome showed a strong and positive linkage between GDP, overall, economic and political globalizations while negative link existed with social globalization. Suci, Asmara and Mulatshi (2015) examined the impact of globalization on economic growth in ASEAN countries applying panel data for six developing countries between 2006 and 2012. The result showed that the overall index of globalization had positive and significant impact on economic growth. The economic and political globalization had positive impact on economic growth while social globalization did not affect growth.

Balan, Torun and Kilic (2015) investigated the relationship between globalization and income inequality in G7 countries using Bootstrap Panel Granger causality test for the period 1970 to 2012. The study discovered that overall globalization index positively caused income inequality in Canada and UK and negatively in France, while in the case of Germany, Italy, Japan and USA, there was no empirical evidence of causality between globalization indices and income inequality. Also, the result indicated one way causality between economic globalization and income inequality in Canada and France; two-way causality between economic globalization and income inequality

in UK; one-way causality between social globalization and income inequality in France and UK, and one way causality from political globalization to income inequality in France. Samimi and Jenatabadi (2014) analyzed the effect of globalization on economic growth of 33 OIC countries for the period 1980 – 2008. The Generalized Method of Moments was used for data analysis. The result indicated that economic globalization had significant impact on economic growth of OIC countries. The result also indicated that the positive effect increased with better-educated workers, well-developed financial systems and increased level of the country's income.

Ying, Chand and Lee (2014) examined the impact of globalization on economic growth of ASEAN countries between 1970 and 2008 using Panel Fully Modified OLS (FMOLS). The result revealed a positive effect of economic globalization on economic growth, negative effect of social globalization on economic growth while political globalization also had a non-significant negative effect on economic growth.

Using the Non-oil export as a case study, Okpokpo, Ifelumini and Osuyali (2014) examined whether globalization was a potent driver of economic growth in Nigeria between 1970 and 2011. The ordinary least square regression was used and the study found that globalization had no significant impact on non-oil export in Nigeria within the period. Relying on evidence from Nigeria for the period 1986 – 2012, Ajudua and Okonkwo (2014) reviewed the relationship between globalization and economic performance. OLS method was used for data analysis. The result revealed a causal relationship between the degree of openness and Real GDP; and also an inverse relationship between FDI and Real GDP.

Relying also on evidence from Nigeria between 1981 and 2012, Nwakanma and Ibe (2014) investigated the relationship between globalization and economic growth. OLS was used for data analysis. The results showed a positive and insignificant relationship between financial integration, human resource development and trade openness. Meraj (2013) investigated the impact of globalization and openness on economic growth of Bangladesh for the period 1971 to 2005. ARDL and Granger causality tests were used. The result showed a positive impact of globalization on economic growth of Bangladesh over the period under study. The empirical finding also reflected bi-directional causality between export and GDP but import do not Granger cause GDP.

Rao and Vadlamannati (2010) investigated the relationship between globalization and economic growth in the low income African countries with the extreme bounds analysis. Panel data of 21 low income African countries was used between 1970 and 2005. The result of the study revealed small but significant positive permanent growth effect of globalization.Among the three dimensions of globalization, social integration had positive and significant relation with economic growth. This same relation was exhibited by the actual economic flow which is a sub-component of economic dimension of globalization. Political dimension had no effect on economic growth of African countries. The Construct of this present study is embedded on endogenous growth theory. This is informed by the fact that the endogenous growth theory links human capital, and globalization to economic growth.

2.4 Gap in Literature

The existence or otherwise of shocks among countries in West Africa was examined in this study through the carrying out of Cross-sectional dependence test. Shocks among countries usually occur but have not been taken into cognizance empirically or otherwise in studies involving globalization. It shows up in form of inflation, economic recession and others. This issue was addressed in this study with a view to mitigate the negative effects of shocks that may emanate from any member country in West Africa. Narrow attempts have been made in the past applying trade openness, FDI and capital inflows to examine the impact of globalization on economic growth in West Africa. However, the comprehensive measure of globalization was applied in this study which broadened the scope of investigation to enhance robust results. This comprehensive measure incorporated novel indices like overall, economic, political, social, cultural, informational indices which have not drawn the attention of current researchers on globalization in West Africa. It enables the multidimensional determination of the impact of these indices on economic growth in West Africa. Few attempts have been made to cover all West African countries. This study encompassed all countries in West Africa. Panel data method consisting of pooled OLS, fixed effects, and the GMM were adopted for data analysis in this study.

3. Methodology

This study covered all countries in West Africa and West Africa is made up of 16 countries. Secondary method of data collection is used in this study. Data on political and social globalizations were collected from the updated version of the KOF globalisation index while data on real GDP and inflation were collected from the World Development Indicators (WDI) data base. Data on institutional quality were obtained from World Governance Indicators (WGI} data base. Economic growth was measured through Real Gross Domestic Product (constant 2010 US$) while globalization indices were measured through the KOF globalization index. Inflation was measured through the consumer price index and institutional quality was measured through the corruption perception index. Data collected were analysed through the use of panel data analysis. The panel data involves the use of static and dynamic methods. The static method is made up of the pooled OLS, fixed effect and the Random effects. However, this study applied the static method involving only the Pooled OLS and the fixed effect methods.

Model Specification

According to Neagu et al (2016), the panel regression for this type of model is of the form

$$Y_{it} = C + \beta_1 X_{it} + U_{it}$$

The impact of political globalization on economic growth were captured as specified in (equation 1-8). The model is re-specified as shown in equation (9-14) to capture the impact of political globalization on economic growth

Given the Production Function specified as:

$$Y_t = A_t K_t^{\alpha} \qquad (1)$$

where $0 < \alpha < 1$ and

Y = per worker's output; A = stock of technology; K = capital per worker; t = time

The Model assumed that the evolution of technology is given by:

$$A_t = A_0 e^{gT} \tag{2}$$

Therefore, substituting equation 2 to equation 1 becomes:

$$Y_t = A_0 e^{gT} K_t^{\alpha} \tag{3}$$

where A_0 is the initial stock of knowledge and T = time. The steady state growth of output per worker equals g. Linearising equation 3 becomes :

$$L_n Y_t = L_n A_0 + gT + \alpha L_n k_t \tag{4}$$

However, it is assumed that:

$$A_t = f(T, Z_t) \tag{5}$$

Where Z is a vector of TFP improving variable like Globalization index. Based on this, equation 5 becomes

$$A_t = f(T, glo) \tag{6}$$

where *f(T)* and *f(glo)*> 0

Applying a simple linear specification, the extended production function is expressed as:

$$Y_t = A_0 e^{(g_1 + g_2 Z_t)T} K_t^{\alpha} \tag{7}$$

The Growth model with the modified production function implied that *SSGR* is

$$\Delta Lny^* = SSGR = rgdp + g_1 + g_2 glo_t \tag{8}$$

Where:

ΔLny^* is *SSGR* or *rgdp* and g_1 is interpreted as the parameter capturing the growth effect of other trended but ignored variables. g_2 Captured the growth effects of *glo* which contains Political globalization and Social globalization and other variables. The other variables added include inflation and institutional quality which are growth affecting variables. They also served as control variables in order to avoid mis-specification.

The impact of political globalization is captured in equation 8 and the equation is re-specified into a model of the form:

$$rgdp = \beta_0 + \beta_1 pgi + \varepsilon_{it} \tag{9}$$

The control variables introduced are *inf* and *instq*. In order to incorporate these control variables, we introduced (x) into equation 9 to represent all control variables. Therefore, equation 9 becomes:

$$rgdp_{it} = \beta_0 + \beta_1 pgi_{it} + \beta_2 x_{it} + \varepsilon_{it} \tag{10}$$

Incorporating these control variables into equation10 becomes:

$$rgdp_{it} = \beta_0 + \beta_1 pgi_{it} + \beta_2 inf_{it} + \beta_3 instq_{it} + \varepsilon_{it} \tag{11}$$

Where:

rgdp = Real Gross Domestic product; *inf* = inflation; *instq* = institutional quality; i = country; t = time. $\beta_1 - \beta_3$ are parameters to be estimated.

To capture the influence of social globalization index on economic growth, the model is specified as:

$$rgdp_{it} = \beta_0 + \beta_1 sgi_{it} + \beta_2 x_{it} + \varepsilon_{it} \tag{12}$$

Where: Sgi = social globalization index

Elaborating equation (9) by incorporating the control variables becomes:

$$rgdp_{it} = \beta_0 + \beta_1 sgi_{it} + +\beta_2 inf_{it} + \beta_3 instq_{it} + \varepsilon_{it} \tag{13}$$

Panel regression Model Estimation for the study: $Y_{it} = C + \beta_1 X_{it} + U_{it} \tag{14}$

4. Results and Discussions

Descriptive Statistics of the Variables

The descriptive statistics of the variables are listed in Table 1. The variables are reported in their natural logarithm forms except institutional quality. The variation between the maximum and the minimum values for most of the variables are not too large except for real RGDP.

Table 1: Descriptive Statistics of the Variables

	Rgdp	*Sgi*	*Pgi*	*Inf*	*inst*
Mean	22.591	3.432	4.043	3.418	0.234
Median	22.498	3.491	4.108	5.549	0.277
Maximum	26.897	4.207	4.461	4.513	0.600
Minimum	19.584	2.485	2.867	0.992	0.000
Std. Dev.	1.512	0.394	0.290	1.636	0.204
Skewness	0.679	-0.311	-0.919	-2.434	0.046
Kurtosis	3.539	2.298	3.462	21.666	1.474
Jarque-Bera	37.360	15.388	62.877	2004.042	40.920
Probability	0.000	0.000	0.000	0.000	0.000
Sum	9488.074	1441.411	1698.099	2666.181	98.477
Sum Sq. Dev.	957.713	64.955	35.254	128.300	17.415
Observations	420	420	420	420	420

Source: Author's Computation (2022)

Cross-Sectional Dependence (CD) test

The Pesaran (2004, 2013) Cross-sectional Dependence test was used to determine if the series were correlated among panel members. The null hypothesis that the series reflect cross-sectional dependence was accepted for all variables as shown in Table 2.

Table2: Cross-Sectional Dependence Test (Pesaran, 2004; 2013)

	CD	$p-value$	$avg\ \hat{\rho}_{ij}$	$avg\ \left|\hat{\rho}_{ij}\right|$
Rgdp	48.77	0.00	0.93	0.93
Sgi	50.68	0.00	0.97	0.97
Pgi	42.43	0.00	0.81	0.81
Inf	36.81	0.00	0.68	0.68
Inst	12.46	0.00	0.24	0.38

Source: *Author's computation (2022)*

Stationarity / Unit Root test

Consequent upon the presence of cross-sectional dependence among panel groups, stationarity test was conducted based on the Pesaran (2007) unit root test. With a maximum lag order of 2, the test was run with both intercept, and intercept and trend specifications (Table 3). As revealed in Table 3, when the two models (p=2) were applied, social and political globalizations indices were stationary at both level and first difference.

Table3: Pesaran (2007) Unit Root Tests Results.

PECAD F-Test	**Level**			**First Difference**		
Specification without trend (Intercept)	**Lag 0**	**Lag 1**	**Lag 2**	**Lag 0**	**Lag 1**	**Lag 2**
Rgdp	1.762 (0.152)	-1.630 (0.705)	-1.506 (0.846)	-5.134 (0.000)	-3.530 (0.000)	-2.349 (0.000)
Sgi	-2.730 (0.000)	-2.556 (0.001)	-2.505 (0.002)	-5.465 (0.000)	-3.817 (0.000)	-3.489 (0.000)
Pgi	-3.716 (0.000)	-3.394 (0.832)	-2.474 (0.003)	-5.361 (0.000)	-4.791 (0.000)	-3.679 (0.000)
Inf	1.242 (0.148)	-3.805 (0.154)	-1.443 (0.045)	-5.481 (0.000)	-3.889 (0.000)	0.579 (0.749)
Inst	-2.392 (0.008)	-2.421 (0.006)	-1.901 (0.307)	-5.064 (0.000)	-3.963 (0.000)	-2.974 (0.000)
Specification with trend	**Lag 0**	**Lag 1**	**Lag2**	**Lag 0**	**Lag 1**	**Lag 2**
Rgdp	-1.910 (0.950)	-1.717 (0.992)	-1.447 (1.000)	-5.335 (0.000)	-3.760 (0.000)	-2.662 (0.000)
Sgi	-2.987 (0.004)	-2.800 (0.027)	-2.853 (0.016)	-5.465 (0.000)	-4.027 (0.000)	-3.702 (0.000)
Pgi	-3.936 (0.000)	-3.869 (0.000)	-3.201 (0.000)	-5.435 (0.000)	-4.713 (0.000)	-3.698 (0.000)
Inf	-2.300 (0.555)	-2.504 (0.309)	-2.313 (0.879)	-3.661 (0.000)	-4.500 (0.000)	-4.444 (0.000)
Inst	-2.701 (0.063)	- 2.643 (0.097)	-2.009 (0.895)	-5.186 (0.000)	-4.010 (0.000)	-3.055 (0.002)

Note: ***, **, and * denote statistical significance at 1%, 5% and 10% respectively
Source*: Author's computation (2022)*

Assessment of Political Globalization influence on Economic Growth in West Africa.

The effect of political globalization on economic growth in West Africa was examined using the pooled OLS and the fixed effect methods (Table 4). The OLS results revealed that political globalization exerted significant influence on economic growth in West Africa by 0.016% at 5% level of significance while the fixed effect exerted influence of 0.015% on economic growth at 5% significant level.The R-squared results from both the pooled OLS and the fixed effect methods revealed that 71% and 98% of change in economic growth were explained by political globalization. This imply that political globalization had a positive impact on economic growth.

Table 4: Impact of Political Globalization on Economic growth in West Africa

VARIABLES	(1)	(2)
	OLS	FE
L.rgdp	0.999***	0.949**
	(0.002)	(0.017)
If	-0.002***	0.012***
	(0.004)	(0.006)
Inst	0.041**	0.061**
	(0.014)	(0.019)
Pgi	0.016**	0.015**
	(0.010)	(0.030)
Constant	-0.108	0.836***
	(0.078)	(0.249)
Observations	406	406
R-squared	0.719	0.986
Number of _id		14

Note: ***, **, and * denote statistical significant at 1%, 5% and 10% respectively
Source: *Author's Computation (2022)*

Assessment of Social Globalization Influence on Economic Growth in West Africa.

The effects of social globalization on economic growth in West Africa between 1990 and 2022 is shown in Table 5.Applying the pooled OLS, the result revealed that social globalization had negative effect of 0.006% on economic growth at 1% significant level while the Fixed effect showed a positive impact of 0.08% at 5% significant level . This imply that in the short run, social globalizations had positive impact on economic growth while in the long run, social globalization had negative impact.

Table 5: Impact of Social Globalization on Economic growth in West Africa

VARIABLES	(1)	(2)
	OLS	FE
L.rgdp	1.000***	0.909**
	(0.002)	(0.024)
Inf	0.000***	0.005**
		*
	(0.005)	(0.007)
Inst	0.043**	0.063**
	(0.014)	(0.018)
Sgi	-0.006***	0.081**
	(0.009)	(0.034)
Constant	-0.066	1.629
	(0.073)	(0.427)
Observations	406	406
R-squared	0.719	0.986
Number of c_id		14

Note: ***, **, and * denote statistical significant at 1%, 5% and 10% respectively
Source: Author's Computation (2022).

Discussion of Findings

Findings from the study show that that political globalization positively influence economic growth. These results are consistent with the finding of Tekbas (2021) but contradicted Ying et al (2014), Kostic and Radulovic (2020) results which showed that political globalization had negative impact on economic growth. Also result revealed that social globalization had positive impact on economic growth in the short run while in the long run, social globalization had negative impact. The result buttress the opined of Ying et al Kostic and Radulovic (2020).

Conclusion and Recommendations

Based on the findings, it is concluded that political globalization has a positive impact on economic growth. In the short run, social globalization also had a positive impact on economic growth, while in the long run, social globalization had a negative impact. In line with the outcome, it is recommended that West African countries formulate policies based on realistic, appropriate globalization and economic integration principles that are peculiar to each country. Relevant complementary policy frameworks that will enable the development of other sectors of the economy should also be formulated.

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